Section 35 of the Banking Regulation Act, 1949 in respect of the United Industrial Bank Ltd. with reference to the position of the bank as on 30-6-1980. The inspection report was forwarded by RBI to the bank in April, 1982. Certain procedural and operational deficiencies were observed during the inspection. Follow-up action taken by the bank in respect of the deficiencies pointed out in the inspection report is monitored closely by RBI. RBI has also appointed one of its officers as a director on the Board of the bank to closely oversee the working of the bank.

Modernisation of Central Cotton Mills, Howrah

861. SHRI GURUDAS DAS GUPTA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have undertaken any programme to modernise the Central Cotton Mills, Howrah;

(b) if so, what are the details thereof; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHED ALAM KHAN): (a) Yes, Sir.

(b) An amount of Rs 81.94 lakhs has been spent on modernisation/renovation of the Central Cotton Mills, upto 31st March, 1986.

(c) Does not arise.

Lowering of Interest Rates of Industrial Borrowers

862. SHRI N. E. BALARAM:
SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank has any proposal under its consideration to lower the interest rates for industrial borrowers; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The structure of interest rates is under constant review of Reserve Bank of India. Modifications are instituted as necessary taking into account current and emerging developments. There has been a progressive reduction in the maximum lending rate of the banks from 19.5 per cent in March, 1981 to 17.5 per cent in April, 1985.

Ceiling of Royalty on Foreign Collaborations

863 SHRI N. E. BALARAM:
SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have relaxed the norms regarding the ceiling on royalty or lumpsum payments to foreign collaborators; and

(b) if so, what are the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) No such relaxation in the norms has been made. However, higher payments are considered on merits on a case-to-case basis.

Representation from the All India Punjab and Sind Bank Officers' Federation, New Delhi

864. SHRI CHATURANAN MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether he has received any representation from the All India